



City of Austin Employees' Retirement System

**MINUTES
CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM
BOARD MEETING**

Tuesday, July 16, 2019 – 5:00 PM

Austin Central Library Special Events Center (1st Floor) – 710 W. Cesar Chavez, Austin, TX

Board Members Present

Stephanie Beach
Eyna Canales-Zarate, Vice-Chair
Amy Hunter
Yuejiao Liu
Frank Merriman
Chris Noak
Leslie Pool
Anthony B. Ross, Sr.
Randy Spencer
Ed Van Eenoo

Board Members Absent

Michael Benson, Chair

Staff

Christopher Hanson
Russell Nash
Donna Boykin
David T. Veal
Julie Barschow

Staff, cont'd

Amy Kelley
Sarah McCleary
Michelle Mahaini
Yun Quintanilla
Teresa Cantu
Sandra Herrera
Larry Abrahamson
David Stafford

Guests

Lewis Ward, GRS
Sandra Vargas, Empower
Tamara Kurtz
Jonathan Janek
Elizabeth Jane Nichols
Biju Mathew
Norman Muraya
Lisa Killander
Don Sneed
Azalia Villarreal
Leonard Hough
Kevin Thiesen
Gary Kosut
Mapi Vigil

Guests, cont'd

Monique Benavides
Felix Benavides
Ed Stuart
George Oswald
Gail Ray
Keith Rabun
Alexander Solanik
Mary Solanik
Ray Solanik
Sharon Edwards
Jeff Gauthier
Steve Edmonds
David Orr
Joseph Bousquet
Craig McColloch
Ken Muenzler
Jim Stafford
Steve Whiele
Franklin Houston
Benson Thottiyil
Malcolm Yeatts
Robin Camp
Carl Schattenberg

1. Call meeting to order – Vice Chair Canales-Zarate

Vice-Chair Canales-Zarate called the meeting to order at 5:04 p.m.

2. Call roll of Trustees – Vice Chair Canales-Zarate

The secretary called the roll and the following Trustees were present: Canales-Zarate, Hunter, Liu, Merriman, Noak, Ross, Spencer, Beach, Pool, and Van Eenoo.

3. Introduction of Trustees – Vice Chair Canales-Zarate

Vice-Chair Canales-Zarate welcomed all attendees, introduced herself, and asked each Trustee to do the same.

4. Defined benefit funding and sustainability – Christopher Hanson, Executive Director

Mr. Christopher Hanson provided an overview of the basic funding mechanisms for defined benefit plans, and showed how COAERS compared to similar systems. He updated the audience on the funding challenges faced by pension systems and reported on the work done at COAERS to manage its funding challenges. He also answered questions from the audience.

5. Overview of COAERS investments – David T. Veal, Chief Investment Officer

Mr. David Veal presented an overview of the investment portfolio and its management structure. He highlighted the exemplary fiduciary standards, significant value add versus passive indices, and cost effectiveness of the program. He explained how the investment strategy is adapting to the low-return environment and answered questions from the audience.

6. Report on December 31, 2018 Valuation – Lewis Ward, GRS Retirement Consulting

Mr. Lewis Ward reported the results of the December 31, 2018 actuarial valuation. He reported that the funding period for the current valuation is 32 years, and that the funded ratio is 67.6%. He reported that the growth in unfunded liabilities will make it difficult to maintain a funding period consistent with Board policy and that a cost-of-living increase to retirees is not a viable consideration at this time.

7. Update on COAERS initiatives – Christopher Hanson, Executive Director

Due to time constraints, Mr. Hanson did not provide this presentation to the audience.

8. Receive System member and public comments – Vice Chair Canales-Zarate

Vice-Chair Canales-Zarate invited audience members to ask any remaining questions or offer comments.

9. Adjournment

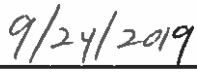
As there were no further items to address, the meeting adjourned at 7:18 p.m.



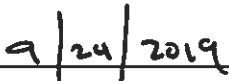
Michael Benson, Board Chair



Christopher Hanson, Executive Director



Date



Date